

Vietnam's textile-garment sector to fully recover in 2022 2nd half

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Vietnamese textile-garment exports contracted by 10.5 per cent last year due to the pandemic, raking in \$35 billion, in contrast to regional rivals that endured a decline of 15-20 per cent. The sector is poised to fully recover from the crisis in the third quarter of 2022 at the earliest possible time, says Le Tien Truong, group general director of Vietnam National Textile and Garment Group (Vinatex).

This is the first major setback for the sector after 25 years of penetrating the global market, he said. Though the global market is showing signs of recovery, the number of orders and prices remain modest, he said.

Several local enterprises, including Vinatex, have received orders up until the end of April or even July and August for some commodities such as knitwear and other popular items, he told a Vietnamese newspaper.

Truong observed that garment firms are unlikely to fulfil signed contracts, and more importantly, the sector's position in the global supply chain is also threatened.

During the course of the year ahead, the domestic textile and garment sector is forecast to achieve an export turnover of approximately \$39 billion.